COMMISSION BENCHMARK MEETING

BRIEFING PAPER
Prepared for the
January 2002 Transportation Commission Benchmark Committee Meeting

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PURPOSE:

1. To review and adopt the Washington State Transit Association's (WSTA) recommendations for transit cost-efficiency benchmarks. This is the last work item in the implementation of Section 101 of ESHB 2304.
2. Further discussion of a Benchmarks Report to detail the Commission's work to date.
3. Finalize the Commission's work on Section 101 of EHSB 2304.

ACTION/OUTCOME:

The Benchmark Committee will review and possibly adopt the presented transit cost-efficiency benchmarks. The Committee may also provide further direction to staff regarding the Benchmarks Report.

BACKGROUND:

At previous Benchmark meetings, WSTA representatives discussed their recommendations for transit cost-efficiency benchmarks. The proposed benchmarks need to meet the intent of Section 101 of ESHB 2304 to establish a cost-efficiency benchmark for the state's transit systems.

DISCUSSION:

At the December Benchmark meeting, WSTA recommended four transit benchmarks designed to incorporate cost efficiency, cost effectiveness, and service effectiveness measures for a more complete picture of transit performance. See Appendix A for details. The benchmarks are:

- Operating Cost per Total Hour.
- Operating Cost per Passenger Trip (Boarding).
- Operating Cost per Passenger Mile (not available for rural systems).
- Passenger Trips (Boardings) per Revenue Hour.

WSDOT staff applied WSTA's benchmark recommendations to available transit performance data and will present the results at the January meeting.

RECOMMENDATIONS:

Commission adoption of proposed transit benchmarks.

Appendix A
WSTA Proposal for Public Transportation Performance Measurement

General Approach

WSTA used two principles in developing its recommendations for measuring public transportation performance:

1. Transit agency performance measures should only be assessed with other comparable in-state transit systems.
2. Statewide performance measures are more important to State policy makers than performance measures of individual transit systems.

By adopting this approach, WSTA recognizes that these principles give definition to the "State's interest in public transportation." This approach is intended to recognize the reality and necessity of balance between State and local public transportation policy decisions that support:

- Basic mobility;
- Congestion relief and decreased miles traveled;
- Transportation choices; and
- Efficient and effective services.

Recommended Performance Measures

The following set of measures is recommended for use by the Transportation Commission and the State Legislature. These measures are designed to address:

- Cost efficiency – measured by operating cost per total hour.
- Cost effectiveness – measured by cost per boarding and cost per passenger mile.
- Service effectiveness – measured by unlinked passengers per revenue hour.

WSTA recommends that these measures be tracked by size category (rural, small city, and urban) and by mode (fixed-route, demand response, and vanpool).

Specific Benchmark Recommendations

1. Replace cost per revenue hour with cost per total hour.

   Rationale – While WSTA supports the intent of the cost per hour efficiency measure written into EHSB 2304, we believe that cost per total hour is better suited for monitoring the cost efficiency of transit operations. This measures tells us how much it costs to put one bus and driver on the road for one hour.

   This total hour definition is also more consistent among transit operators than the revenue hour definition. The total hour measure can fairly measure both commuter and local services. The cost per revenue hour measure always favors local service over peak direction commuter service.

2. Add two cost effectiveness measures: cost per boarding and cost per passenger mile.

Rationale – These two measures combine cost efficiency and service effectiveness. Cost per boarding measures the cost of carrying one passenger on a single bus trip. This is as a very useful measure; however, care must be taken as the measure is hindered by the fact that passenger trips can vary greatly in distance. On some systems the average trip length is 3 miles, on other systems the average trip length is 11 miles. It is reasonable to expect that the latter system would have a higher cost per boarding.

Cost per passenger mile adjusts for differing trip lengths, making the measure more appropriate for comparisons between systems. Cost per passenger mile reflects the cost of carrying one passenger for one mile. The passenger mile measure is the transit parallel to the vehicles miles traveled (VMT) measure use to measure travel on roadways. *Note from WSDOT staff: Passenger mile information is only available for transit agencies with an urbanized area population of 50,000 or greater; these agencies report passenger mile information to the Federal Transit Administration for inclusion in the National Transit Database.*

3. Add a service effectiveness measure: passenger trips per revenue hour.

Rationale – Passenger trips per hour are a very valuable measure for monitoring performance within a type of transit service but care must be taken to understand the underlying policy objectives of the service. Low productivity services cannot always be improved or eliminated. Paratransit services, for instance, have low productivity due to the nature of the service, and the service is mandated by law. Many systems retain some low productivity bus service due to policy directives and social contract to meet the needs of transit-dependent people living in more remote parts of a transit district.

Information Source for Performance Measures

The annual *Washington State Summary of Public Transportation Systems* provides six pages of information on each system including detailed cost, revenue, and operating data. Data is reported for the three past years with forecasts for the next three years and the year six years from the current year. Systems are divided into three categories: rural, small city, and urbanized. Service types are divided into three categories: fixed route, deviated, and demand response. The report provides a good overview of each system and is an excellent source of information.